

HOUSE BILL 747

By Curtiss

AN ACT to amend Tennessee Code Annotated, Title 45,
Chapter 15, relative to title pledge loans.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 45-15-115, is amended by deleting the language "or" at the end of subdivision (17); by renumbering subdivision (18) as subdivision (19); and by inserting the following as a new subdivision (18):

(18) Enter into a pledge agreement in which the fee authorized pursuant to § 45-15-111(a) as well as the effective rate of interest authorized in such section does not, when considered together as a whole, exceed seventeen percent (17%) per month; or

SECTION 2. Tennessee Code Annotated, Section 45-15-111(a), is further amended by deleting the language "than one fifth (1/5) of the original principal amount of the title pledge agreement or property pledge agreement" and by substituting instead the language "than an amount which when taking into account the two percent (2%) effective rate of interest permitted above exceeds the maximum authorized rate of interest permitted by § 45-15-115(18)".

SECTION 3. This act shall take effect July 1, 2007, the public welfare requiring it.